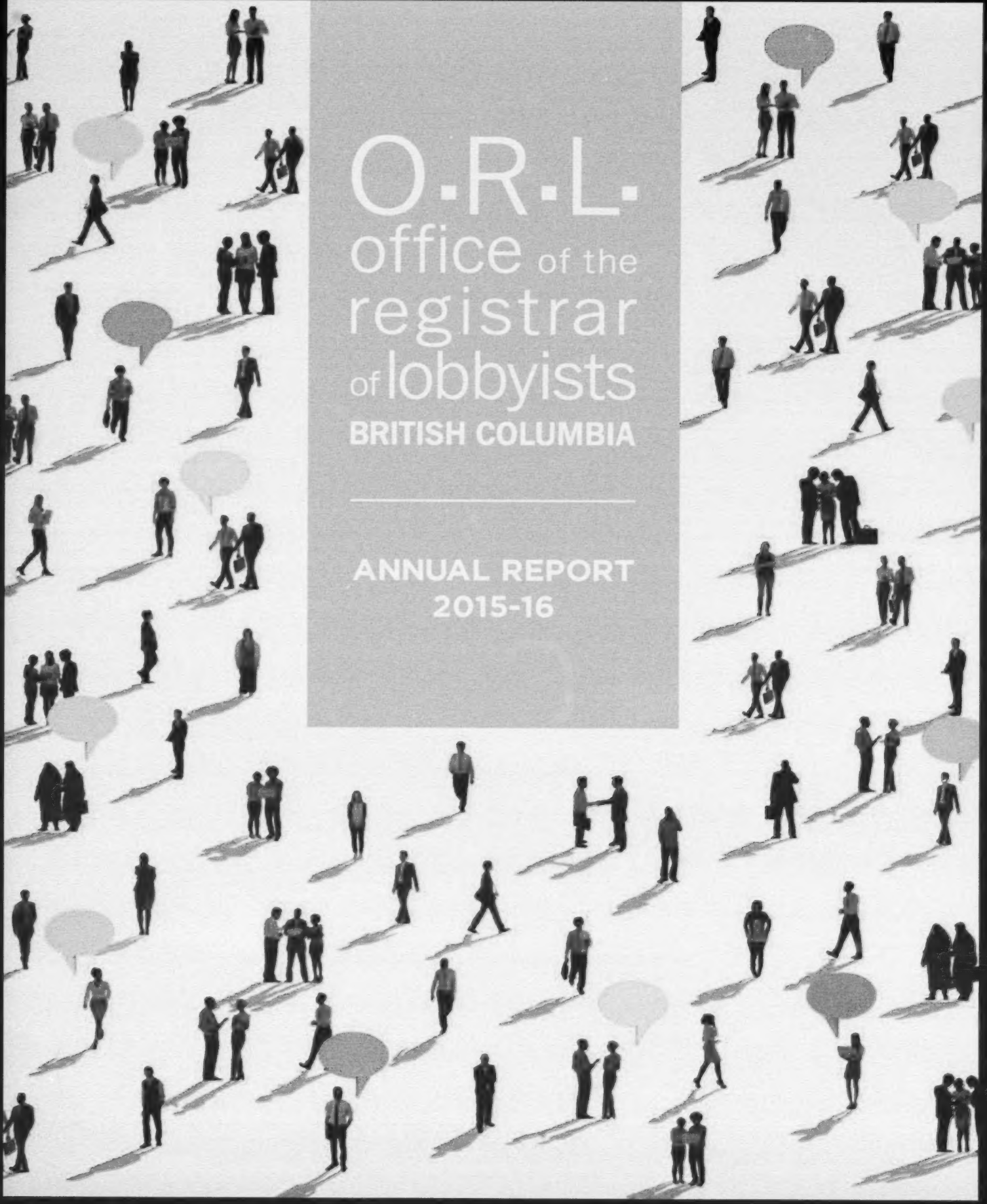


O.R.L.

office of the registrar of lobbyists

BRITISH COLUMBIA

ANNUAL REPORT 2015-16

Who we are

The Registrar of Lobbyists is an independent officer of the Legislature who oversees, monitors and enforces the *Lobbyists Registration Act* ("LRA"). The LRA requires individuals and organizations who meet specific criteria to register their lobbying activities in an online public registry.

The goal of the LRA is to promote transparency in lobbying and government decision-making.

Elizabeth Denham is B.C.'s Registrar of Lobbyists.

Mandate

Under the LRA, the mandate of the Registrar of Lobbyists is to:

- Promote awareness among lobbyists of registration requirements;
- Promote awareness among the public of the existence of the Lobbyists Registry;
- Manage registrations submitted to the Lobbyists Registry; and
- Monitor and enforce compliance with the LRA.

Strategic goals of the Office of the Registrar of Lobbyists ("ORL")

Goal 1 Enhance the enforcement function under the LRA.

Goal 2 Promote enhancements to the LRA.

Goal 3 Provide education for lobbyists, public office holders and the public.

How we do our work

The ORL addresses concerns about the integrity of government decision-making by providing a public record of who is attempting to influence government decisions. The ORL manages compliance through a number of strategies, including education and outreach to lobbyists and public office holders, verification of registration information, compliance reviews, investigations, public reporting and administrative penalties for non-compliance.

O.R.L.
office of the registrar of lobbyists
BRITISH COLUMBIA

July 2016

The Honourable Linda Reid
Speaker of the Legislative Assembly
of British Columbia
Room 207, Parliament Buildings
Victoria, BC V8V 1X4

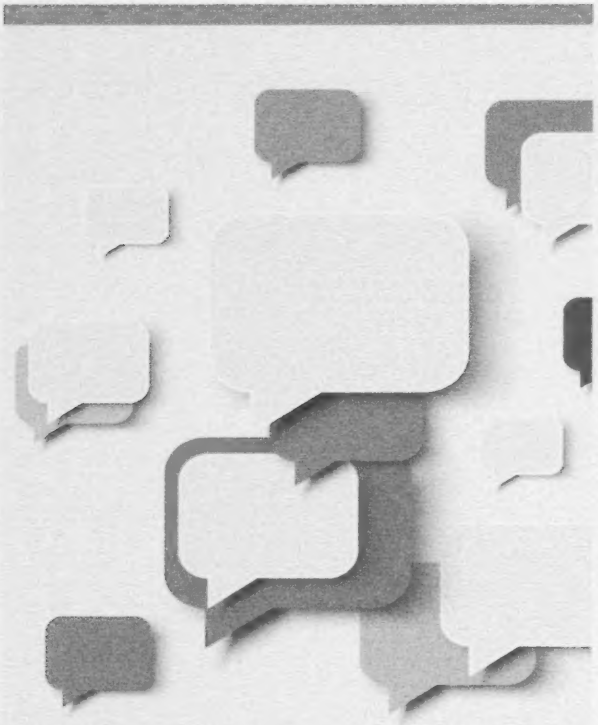
Honourable Speaker:

In accordance with s. 9.1(1) of the *Lobbyists Registration Act*, I have the honour to present the Office of the Registrar of Lobbyists Annual Report to the Legislative Assembly.

This report covers the period from April 1, 2015 to March 31, 2016.

Yours sincerely,

Elizabeth Denham
Registrar of Lobbyists for British Columbia



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"As I write this message about my Office's work in 2015-16, my six-year term draws to a close. It's a time for reflection."

— Elizabeth Denham, Registrar of Lobbyists for British Columbia

REGISTRAR'S MESSAGE

It is my pleasure to table the sixth Annual Report of my mandate as British Columbia's Registrar of Lobbyists.

Looking back, I see that the implementation of the *Lobbyists Registration Act* ("LRA") has reached a state of maturity. Its provisions have been in place for six years, and the awareness about lobbying has grown with lobbyists as well as with observers and the citizens of British Columbia. For this reason, one of our main goals for 2015-16 was to continue to stress enforcement in our Office's compliance reviews to ensure that lobbyists properly register their activities as required by the LRA. To enhance our compliance efforts, we also committed to offering practical public education and outreach to the lobbyists community.

I am pleased to report that we achieved both of these goals in 2015-16. This year, we applied 13 administrative monetary penalties, compared to six penalties last year. Since common compliance errors and oversights continue to persist despite the deterrent of increased enforcement penalties we introduced a *Guide to Investigations* in 2015-16. The guide outlines the steps the ORL takes when conducting investigations of apparent contravention of the LRA and its regulations. It is intended to provide filers with a better understanding of what to expect if they appear to be non-compliant with the legislation — and what is expected of them.

My parting wish as Registrar of Lobbyists would be to witness legislative improvements in British Columbia.

We reached out to the lobbyist community in numerous ways, including through a professional conference we hosted with Simon Fraser University and the Public Affairs Association of Canada's B.C. Chapter. (Read more about the *Future of Lobbying Conference*, beginning on page 8.) This event drew nearly 100 attendees, including lobbyists, MLAs, members of the media and civil society, along with regulators from across Canada. Throughout the day, we had interactive panel discussions, presentations and audience participation. The conference attendees clearly share a common goal — making lobbying more transparent.

On that note, my parting wish as Registrar of Lobbyists would be to witness legislative improvements in British Columbia. In 2013, I tabled a report in the Legislative Assembly and wrote to the Minister of Justice. The report makes recommendations for law reform based on regulatory experiences and input from stakeholders. I asked that the law be changed so that what is registered is *actual* lobbying rather than *prospective* lobbying. Currently, lobbyists need only report who they expect to lobby, not who they actually met and when. This change would enhance transparency in lobbying, which is critical to a well-functioning democracy and to citizen's understanding of this activity. It would also help lobbyists by simplifying registration requirements. I also recommended harmonization of registration requirements for consultant and organizational lobbyists and a mandated "cooling off period" for former public office holders who wish to become lobbyists.

Given the advent of more and more municipal lobbyist registries, the landscape for lobbying in Canada is becoming increasingly complex. With a myriad of requirements to follow for each regime, lobbyists tell me they would welcome greater standardization. It is my hope that these legislative changes will be made in the near future.

In closing, I would like to thank Deputy Registrar Jay Fedorak and my staff for their dedicated public service. I am proud of the work that my Office has done over the past six years in managing the lobbying regulation in British Columbia. We have tried to ensure that people understand that lobbying public office holders is a legitimate activity. Through education, compliance reviews and investigations, I believe we have improved the public's ability to know who is engaged in lobbying activities.

Elizabeth Denham
Registrar of Lobbyists for British Columbia

HIGHLIGHTS 2015-16

ORL publishes new Guide to Investigations

The Registrar of Lobbyists for British Columbia is responsible for ensuring that lobbyists are in compliance with the *Lobbyists Registration Act* ("LRA"). In fulfilling these duties, the Registrar conducts compliance reviews and investigations of filers or lobbyists who may be non-compliant. To assist lobbyists with this process, we created a guidance document that can also be used for general information by anyone who is interested in the ORL's investigation process. This document also accompanies compliance investigation letters to designated filers to advise them of the potential next steps in the current investigation as well as what is expected of them.

DOWNLOAD: *The Office of the Registrar of Lobbyists: A Guide to Investigations* (lobbyistsregistrar.bc.ca).

Survey leads to communications enhancements

In 2015, the Registrar identified a need for improvements to the website. This need was underscored by a survey of more than 350 lobbyists as well as the public. Staff conducted a website analysis, and we are now proceeding with the development of a new website, which will be available by the latter part of 2016. The modifications will provide greater clarity and better functionality to lobbyists, organizations and the public who visit the site for detailed information about lobbying in B.C. In addition, staff have also made some modifications to the online journal, *Influencing B.C.*, based on feedback from survey respondents.

VISIT: *lobbyistsregistrar.bc.ca.*

Registrar increases enforcement activity

In 2014-15, Registrar Denham signalled her intention to increase enforcement activity to help ensure that lobbyists properly register their activities as required by the LRA. In 2015-16, 13 investigation reports were issued for non-compliance, compared to six in 2014-15. Total monetary penalties increased by 147%, from a total of $5,000 in 2014-15 to $12,350 in 2015-16.

VISIT: *lobbyistsregistrar.bc.ca.*

LOBBYING IN B.C.: FIVE THINGS YOU SHOULD KNOW

"Lobbying is defined, specifically, as communicating for pay with a public office holder in an attempt to influence a limited number of outcomes."

— Elizabeth Denham, *Registrar of Lobbyists for British Columbia*

1. Lobbying is a legitimate, democratic right.

Individuals, groups or companies have a right to communicate with elected or appointed government officials. The purpose of the *Lobbyists Registration Act* ("LRA") is to support greater transparency and accountability in the lobbying of provincial public office holders.

2. Lobbyists in B.C. who meet the criteria must register online.

The LRA requires lobbyists in B.C. who meet the criteria to register in an online public registry maintained by the Office of the Registrar of Lobbyists. Members of the public can view this registry at www.lobbyistsregistrar.bc.ca to learn who is attempting to influence government decisions, and on which issue.

3. There are two types of lobbyists.

"Consultant lobbyist" means an individual who, for payment, undertakes to lobby on behalf of a client. "In-house lobbyist" means an employee, an officer or a director of an organization who receives payment for the performance of his or her functions, and whose lobbying or duty to lobby on behalf of the organization or an affiliate, either alone or together with other individuals in the organization, amounts to at least 100 hours annually.

4. The key elements of lobbying are:

a. To communicate

b. For payment

c. With a public office holder

d. In an attempt to:
- introduce, repeal or modify legislation, a bill or regulation;
- develop, establish, change or end any program, policy or decision;
- influence a decision to transfer interest in a government enterprise or to privatize services;
- influence the awarding, amendment or termination of a contract, grant or financial benefit (outside established procedures);
- for in-house lobbyists only, to arrange a meeting with a public office holder for the purpose of lobbying; and
- for consultant lobbyists only, to arrange a meeting between a public office holder and any other individual.

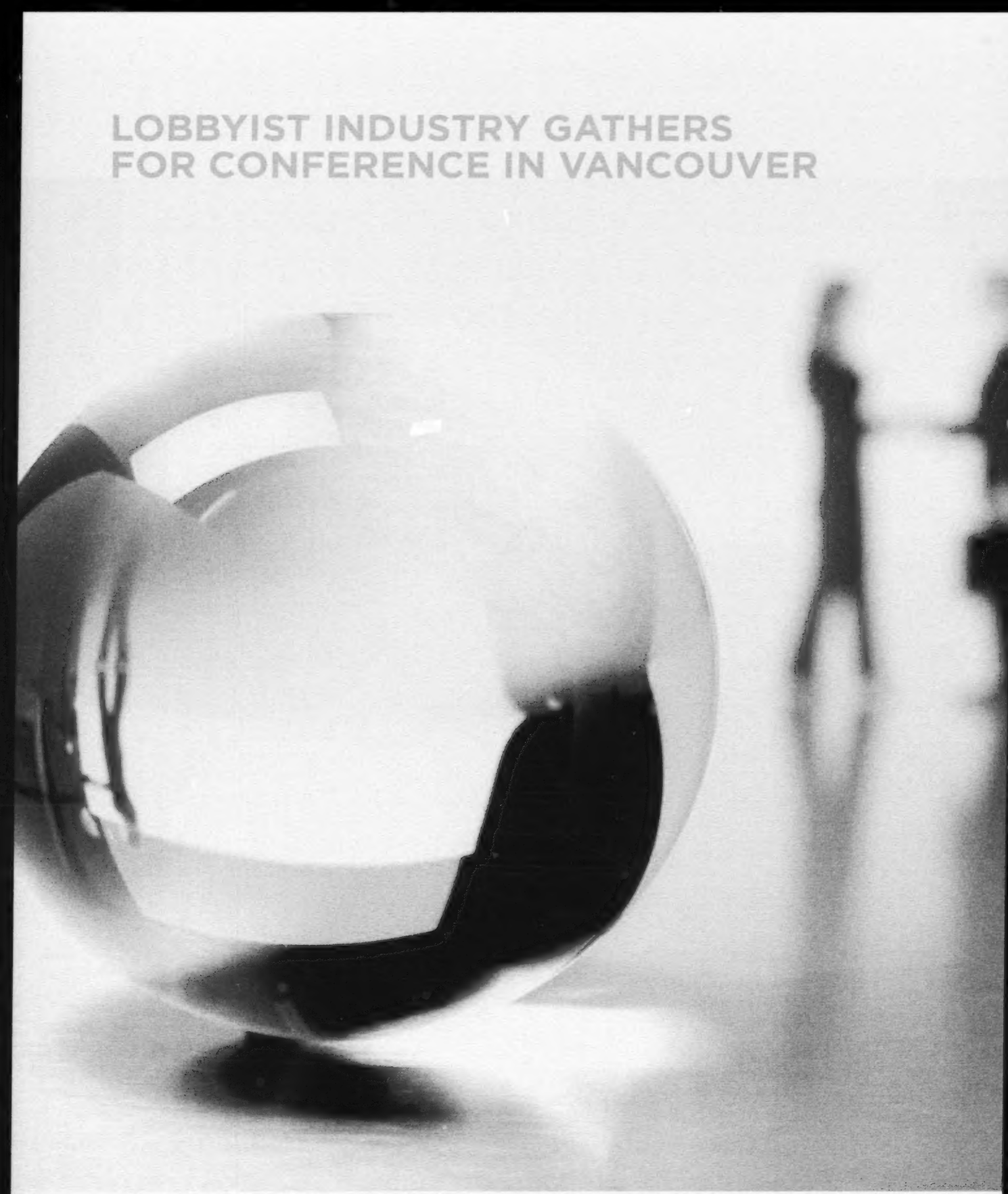
5. The LRA is enforced by the Registrar of Lobbyists.

The LRA was amended on April 1, 2010, granting the Registrar increased powers to enforce the requirement that all lobbyists who meet the criteria register. Under the LRA, the Registrar or her delegate also have the responsibility to report non-compliance and can issue administrative penalties of up to $25,000 if, after an investigation, an individual is found to have contravened the LRA.

TO LEARN MORE ABOUT LOBBYING IN B.C., VISIT:
www.lobbyistsregistrar.bc.ca.

For a quick snapshot of new lobbyist registrations, check out "Who's Lobbying Whom." The ORL publishes this monthly summary of new registrations on its website, including the names of consultant lobbyists or organizations submitting registrations, the aims of their lobbying efforts and their intended targets.

LOBBYIST INDUSTRY GATHERS FOR CONFERENCE IN VANCOUVER



WHAT WILL THE FUTURE HOLD FOR LOBBYISTS AND LOBBYING IN BRITISH COLUMBIA? THAT WAS THE CENTRAL THEME OF A CONFERENCE PRESENTED IN VANCOUVER ON JANUARY 22, 2016 BY THE OFFICE OF THE REGISTRAR OF LOBBYISTS, SIMON FRASER UNIVERSITY INSTITUTE OF GOVERNANCE STUDIES, AND THE PUBLIC AFFAIRS ASSOCIATION OF CANADA-B.C. CHAPTER.

Close to 100 lobbyists, regulators and lobbyist observers gazed into the crystal ball at Simon Fraser University's Harbour Centre during the one-day event. The third conference the ORL has spearheaded since 2011, "The Future of Lobbying" offered presentations and panel discussions, as well as networking and information sharing opportunities.

The day began with an opening address by Registrar Elizabeth Denham. Lobbying regulators from across Canada, including Commissioner of Lobbying for Canada Karen Shepherd, Stephen Littlejohn from the Office of the Lobbyists Registrar for Toronto, Cathryn Motherwell from the Integrity Commissioner of Ontario and Jay Fedorak from the Office of the Registrar of Lobbyists for British Columbia offered updates on lobbying at the national, provincial, and municipal levels.

Patrick Smith from Simon Fraser University, Dermod Travis of IntegrityBC, Bill Tieleman of WestStar Communications and Serge Corbeil from the Canadian Diabetes Association (B.C. and Alberta) gave their views on directions, challenges and trends in lobbying in British Columbia. The conversation between panelists highlighted the balance between transparency and compliance. Dermod Travis emphasized the need for the public to know who's lobbying whom, while Bill Tieleman spoke about the need for lobbyists to clearly understand whether or not they are lobbying. The panel also discussed the advent of municipal lobbyist registries, a subject that led to lively discourse from the audience.

During lunch, PAAC-BC held its annual general meeting and elected a new chapter executive. The meeting was an opportunity for conference attendees to familiarize themselves with this professional association.

Former Ministers George Abbott and Elizabeth Cull and former Deputy Minister Gerry Armstrong provided advice to lobbyists about what to do — and what not to do — when seeking an audience with a key decision maker. "Get to the point," "Know the players" and "Solve my problems" were some of the key words of advice.

Then during the final session, B.C. Registry Manager Carol Searle and PAAC-BC board members Tamara Little and Norma Miller offered tips to attendees on registration requirements and how to best navigate the B.C. Lobbyists Registry.

"We have one simple ambition with these conferences," said Elizabeth Denham. "To bring all the constituencies — lobbyists, regulators and lobbyist observers — together for a day, to have honest, respectful conversations about working together to increase compliance with the LRA. I'm pleased to say that we achieved that goal at this conference." ■

YEAR IN NUMBERS

FIGURE 1: Compliance Statistics

COMPLIANCE REVIEWS	
Outstanding from 2014-15 fiscal year	7
New for 2015-16 fiscal year	171
Total Reviews:	178
Resolved informally	159
Led to formal investigations	16
Ongoing at end of 2015-16 fiscal year	3

INVESTIGATIONS	
Outstanding from 2014-15 fiscal year	5
New for 2015-16 fiscal year	16
Total Investigations:	21
Resolved informally	1
Other resolutions	0
Found to be compliant	0
Administrative monetary penalties applied	13
Ongoing at end of 2015-16 fiscal year	7

Compliance Statistics

ORL staff initiated 171 compliance reviews in 2015-16, in addition to seven carried over from the previous fiscal year. Compliance reviews consist of inquiries sent to consultants or organizations to determine if registration is required, queries to verify information submitted in returns, verification requests sent to consultant lobbyists' clients and review of all instances of possible non-compliance with the *Lobbyists Registration Act* ("LRA"). Of these 178 reviews, 159 were resolved through informal means, such as public education, to inform those unfamiliar with the LRA of their obligations and warnings for minor first-time non-compliance. Informal means of achieving compliance are significantly more cost-effective, so the ORL resolves possible non-compliance in this manner whenever it is appropriate.

Compliance reviews led to 16 formal investigations in addition to five that were outstanding from the previous fiscal year. Of these investigations 14 were completed. One was resolved informally and 13 resulted in a finding of non-compliance and the application of an administrative monetary penalty. There were three compliance reviews and seven investigations outstanding at the end of fiscal year 2015-16.

In addition to conducting compliance reviews, ORL staff also review and verify registrations when they are submitted to the online Lobbyists Registry. Between April 1, 2015 and March 31, 2016, ORL staff requested that 188 registrants correct their returns.

FIGURE 2: Active Registrations

Active Registrations

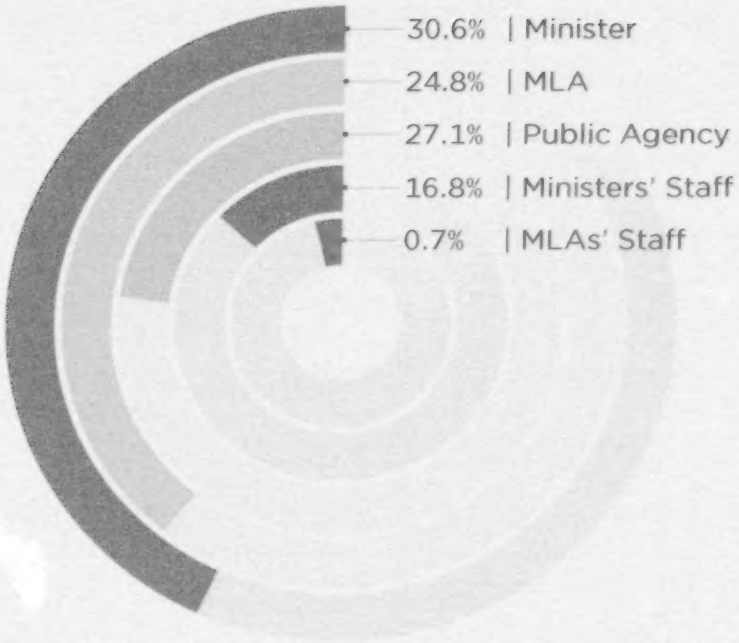
The LRA recognizes two types of lobbyists: **consultant lobbyists** (individuals who, for payment, undertake to lobby on behalf of a client) and **in-house lobbyists** (employees of organizations who lobby on behalf of their organization).

"Active registrations" means all lobbying registrations that were active at some point during the fiscal year. This includes registrations that began before the year started and continued into or through the year, as well as those that began during the year.

There has been a steady increase in the number of organizations that registered (by 12% from 2013-14 to 2014-15, and by 6% from 2014-15 to 2015-16). The number of in-house lobbyists has also increased (by 12% from 2013-14 to 2014-15, and by 2% from 2014-15 to 2015-16). The number of consultant lobbyists decreased 9% between 2013-14 to 2014-15 and remained virtually the same between 2014-15 and 2015-16.

YEAR IN NUMBERS

FIGURE 3: Lobbying Targets, 2015-16



Lobbying Targets

When registrants file a return, they must identify target(s) for their lobbying from a list of options, which include the following:

- Members of the Legislative Assembly;
- Ministers;
- Public Agencies (ministries, crown corporations, commissions, health authorities, post-secondary institutions, administrative tribunals and various other public bodies);
- Ministers' Staff (individuals who work in the office of a Cabinet Minister); and
- MLAs' Staff (individuals who work in a MLA's constituency office).

Members of the Legislative Assembly and Ministers together represent over 50% of all lobbying targets. In 2015-16, Ministers were the most frequent targets, down 1.7% from 2014-15. Another change this year was the increase in lobbying of Ministers' staff, from 13.2% of all lobbying targets in 2014-15 to 16.8% in 2015-16. Public Agencies comprise more than one-quarter of the total. Since registrants are required under the LRA to provide details about who the lobbyist "has lobbied or expects to lobby," the figures may represent both actual lobbying that has occurred, as well as targets they expect to lobby.

FIGURE 4: Top 10 Subject Matters, 2015-16

Subject Matters

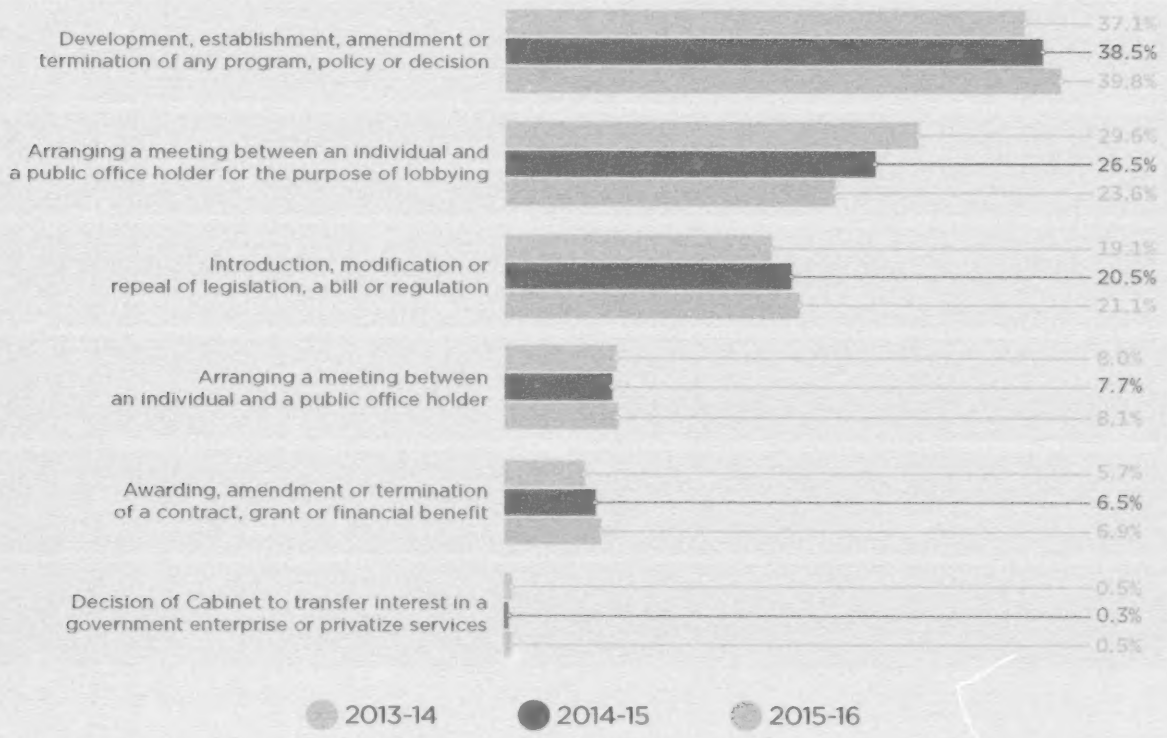
Registrants must also choose lobbying subject matters from a list of common issues, such as education, economic development, transportation and others.

A subject matter may appear multiple times in one registration. For example, a filer for an organization may select the same subject matter for each in-house lobbyist listed in the registration.

The top five subject matters for lobbying remain the same for the fifth year in a row. "Finances and Budgets," "Economic Development and Trade" and "Aboriginal Affairs" have also appeared in the top 10 in the past three years. "Labour/Labour Relations" fell out of the top 10 this year, while "Employment and Training" was new for 2015-16.

YEAR IN NUMBERS

FIGURE 5: Intended Outcomes of Lobbying



Intended Outcomes

"Intended Outcomes" are the results that lobbyists hope to achieve through the lobbying effort. These are selected from a list that reflects the definition of lobbying in the LRA.

Intended outcomes listed by registrants are similar across the last three fiscal years. In all three years, the top three intended outcomes comprise close to 85.5% of outcomes chosen by registrants.

ORL FINANCIAL REPORTING

The ORL's budget is incorporated into the budget of the Office of the Information and Privacy Commissioner. As part of the approval of the annual Estimates, the Legislative Assembly votes a budget for the two Offices as recommended by the Select Standing Committee on Finance and Government Services.

For more information, please see the *OIPC Annual Report* (page 33) or the *Budget and Service Plan* at www.oipc.bc.ca under "Reports."

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office of the registrar of lobbyists

BRITISH COLUMBIA